

IT Initiative Supplement

April 25, 2010

I. Project Description

Project Title: Improve Efficiency through Imaging Technology Phase 2

This project is still in the conceptual phase and may not be moving forward.

Brief Description of the Project Title: Imaging Phase 2

Statewide Priority:

Agency Priority:

Estimated Completion Date: June 30, 2013

IT Project Biennium:

Request Number:

Version:

Agency Number: 5801

Agency Name: Revenue

Program Number:

Program Name:

A. Type of Project (check all that apply)

Enhancement ☒ X

Replacement

New

O&M ☒ X

B. Type of System (check all that apply)

Mid-Tier ☒ x

Mainframe

GIS

Web ☒ x

Network

Desktop ☒ x

II. Narrative

C. Executive Summary

The Department of Revenue (DOR) is in the process of implementing imaging technology to manage the flow of paper documents throughout the agency. DOR would like to achieve a higher level of imaging that would allow the department to process refunds more timely for the citizens, resulting in better compliance, and would maximize the processing of information for legislative, policy making and revenue administration.

Project Purpose and Objectives: The purpose of this proposal is to extend the benefits of efficient tax return processing, faster taxpayer refunds, enhanced information for legislative decision making, and increased tax revenues from compliance realized through an imaging project in the current biennium full through 2d bar coding of the most complex state returns in the 2013 biennium. Further, the proposal will improve the valuation of property tax purposes and the efficiency of property tax administration through a further extension of imaging technology in the Property Assessment Division (PAD). The efficiencies realized in PAD would accommodate the future growth of parcels in the state and minimize the need to increase staff.

Technical Implementation Approach: Determine any additional hardware/software needs; continue researching web services and installing scanners statewide as appropriate

Project Schedule and Milestones: Begin July 1, 2011 and end June 30, 2013

D. Business and IT Problems Addressed

The department devotes significant resources moving, retrieving, and storing paper documents to facilitate compliance activities. Physical transport of paper documents to and from the off-site facilities includes a heightened risk of disclosure of confidential state tax documentation. Imaging and workflow will greatly enhance the department's ability to protect confidential taxpayer information.

E. Alternative(s)

Alternatives Considered:

Increasing the use of e-services for filing and paying taxes

Rationale for Selection of Particular Alternative:

With the first phase going into production, we will continue to pursue this option as there will always be paper filings to handle and this makes us more efficient.

F. Narrative Detail

III. Costs

G. Estimated Cost of Project:

1. Personnel Services – IT Staff:

2. Personnel Services – Non IT Staff:

3. Contracted Services: Tyler Technologies approximately \$300,000

4. ITSD Services:

5. Hardware:

6. Software: \$50,000 for one time dynamic 2d bar-coding licensing; \$100,000 for one time technical support to implement

7. Telecommunications:

8. Maintenance: FairFax maintenance \$230,000

9. Project Management:

10. IV&V

11. Contingency: 10% of total due to less risk with prior implementation - \$68,000

12. Training:

13. Other:

Total Estimated Costs: \$748,000

Total Funding:

IV. Funding

H. Funding

1. Fund:

2. Amount:

3. Total Costs:

Cash/Bonded:

Bill Number:

V. Cost upon Completion

1. Operating Costs upon Completion

At the time of submittal, these costs are included in the implementation costs - to be determined after further research.

FTE:

Personal Services Costs:

Operating Costs:

Maintenance Expenses:

Total Estimated Costs:

2. Funding Recap

Fund Type:

Amount:

Total Funding:

VI. Risk Assessment

A. Current IT Infrastructure Risks

1. Current application 10+ years old?

___no___

Date of last major upgrade? Will be 6/2011

2. Current application is based on old technology?

___no___

If yes, what is the current hardware platform, operating system, and programming languages used to support the application?

3. Is the agency not capable of maintaining the current application with internal technical staff?

___yes___

If yes, who supports the application today? The vendors will be responsible to support the hardware and software, training internal staff as needed

4. Other IT infrastructure risks? _____

If yes, provide further detail.

B. Current Business Risks

1. What are the risks to the state if the project is not adopted? Slower refund processing; inefficient business process due to being paper based; increased data security risk associated with physical transportation of paper documents.

2. Does the current application meet current business requirements?

yes

If “no”, what specific business functions does the application lack?

C. Project Risk Assessment

1. Describe any major obstacles to successful implementation and discuss how those obstacles will be mitigated.

Table H Risk Assessment

Description	Severity (H/M/L)	Probability of Occurrence (%)	Estimated Cost	Mitigation Strategy
ITSD rate model	H			Use current base budget to pay mid-tier charges
Hardware/infrast ructure and software estimates may be inaccurate	M			Contingency fund
Staffing availability	H			Reallocate resources to each department priority accordingly; hire contracted staff to assist